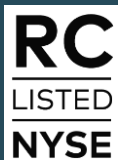




READY
CAPITAL®

INVESTOR PRESENTATION

May 2024



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Factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, applicable regulatory changes; general volatility of the capital markets; changes in the Company's investment objectives and business strategy; the availability of financing on acceptable terms or at all; the availability, terms and deployment of capital; the availability of suitable investment opportunities; changes in the interest rates or the general economy; increased rates of default and/or decreased recovery rates on investments; changes in interest rates, interest rate spreads, the yield curve or prepayment rates; changes in prepayments of Company's assets; the degree and nature of competition, including competition for the Company's target assets; and other factors, including those set forth in the Risk Factors section of the Company's most recent Annual Report on Form 10-K filed with the SEC, and other reports filed by the Company with the SEC, copies of which are available on the SEC's website, www.sec.gov. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

This presentation also contains market statistics and industry data which are subject to uncertainty and are not necessarily reflective of market conditions. These have been derived from third party sources and have not been independently verified by the Company or its affiliates. All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. All data is as of March 31, 2024, unless otherwise noted.

This presentation includes certain non-GAAP financial measures, including Distributable Earnings. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures in accordance with GAAP. Please refer to the Appendix for the most recent GAAP information.

Executive Summary

- Ready Capital (“RC” or the “Company”) is a non-bank lender to both investors in and owners of lower-to-middle-market (LMM) commercial real estate (CRE) properties with book value of approximately \$2.5bn
 - All-weather investment strategy as a direct lender and acquirer of loan portfolios, including distressed portfolios
 - \$10.3bn portfolio of more than 6,100 loans diversified across 50 states & Europe with 98% first lien¹
 - Operating companies supported by 372 employees across the Company’s 7 offices
 - Externally managed by Waterfall Asset Management, LLC, a leading \$12.6bn² global structured products investment manager with a 19-year track record
 - Structured as a REIT for tax purposes, but with a sizable taxable REIT subsidiary (“TRS”) where employees and operations sit
 - This structure provides incremental optionality around dividend policy and retention of earnings over time, providing a path to build capital base
 - We believe our embedded operating companies have franchise value in excess of GAAP book value

1.) Calculated on unpaid principal balance (UPB); 2.) Includes unfunded committed capital

Business Overview

Company Overview

Multi-strategy real estate finance company that originates, acquires and services LMM investor and owner occupied commercial real estate loans

LMM Commercial Real Estate

- Acquires and originates LMM loans secured by stabilized or transitional investor properties using multiple loan origination channels; generally held-for-investment or placed into securitizations
- Products:** Full project life cycle financing including Construction, Bridge, Fixed Rate/CMBS and Freddie Mac
- Earnings driver:** Net interest and servicing income

82% | \$9.9bn
Of total assets

83% | \$44mm
Of Q1 distributable earnings¹

88%
Of loan portfolio²

92%
Allocated equity

Government-Backed Small Business Lending

- Acquires, originates and services owner-occupied loans guaranteed by the SBA under its Section 7(a) loan program
- Products:** Government-backed Small Business loans
- Earnings driver:** Net interest and servicing income and gain on sale

11% | \$1.4bn
Of total assets

14% | \$8mm
Of Q1 distributable earnings¹

12%
Of loan portfolio²

5%
Allocated equity

Note: Ready Capital has announced its intention to strategically exit the residential mortgage business, which comprises of 4% or \$439M of total assets (the remaining 3% or \$341M of total assets relates to our Corporate segment), 3% or \$1.4mm of distributable earnings, and 3% of allocated equity. 1.) Distributable earnings is a non-GAAP measure, please refer to page 31 for a reconciliation to the nearest GAAP equivalent; 2.) Calculated based on UPB

A Successful and Proven Asset Manager



19 year
Investment record

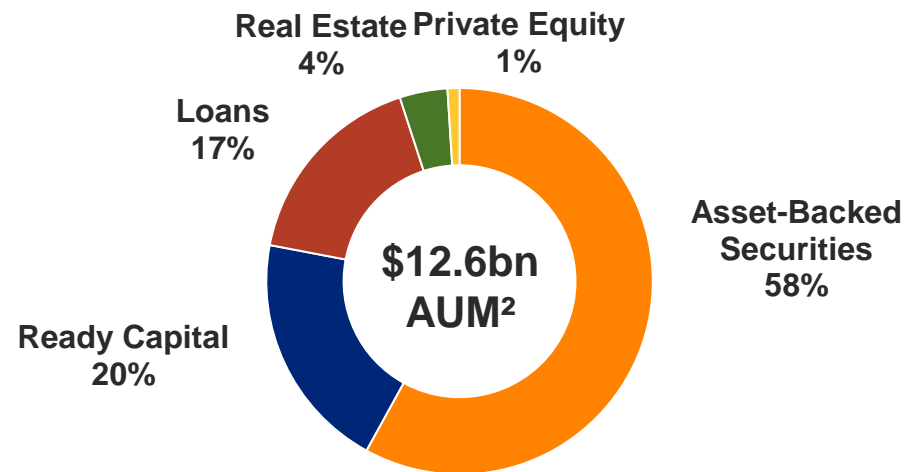
\$12.6bn²
AUM

150+
Employees

50+
Investment professionals

60+ years
Leadership team combined experience

WATERFALL ASSETS UNDER MANAGEMENT BY STRATEGY¹



WATERFALL OVERVIEW

- SEC-registered credit investment advisor founded in 2005
- Top global manager with focus on real estate loans & ABS
- Principals were early pioneers of the ABS industry
- Co-founders (Tom Capasse and Jack Ross) started Merrill Lynch ABS business in 1980s and have worked together for almost 30 years
- Ready Capital has the right of first refusal on all LMM CRE loans sourced by Waterfall³

1.) Represents internal company breakdown; 2.) Includes unfunded committed capital; 3.) Waterfall has agreed in the side letter agreement that, for so long as the management agreement is in effect, neither it nor any of its affiliates will (i) sponsor or manage any additional investment vehicle where the Company does not participate as an investor whose primary investment strategy will involve LMM mortgage loans, unless Waterfall obtains the prior approval of a majority of the Company's board of directors (including a majority of its independent directors), or (ii) acquire a portfolio of assets, a majority of which (by value or UPB) are LMM mortgage loans on behalf of another investment vehicle (other than acquisitions of LMM ABS), unless the Company is first offered the investment opportunity and a majority of its board of directors (including a majority of its independent directors) decide not to acquire such assets.

Proven Acquisition and Integration Track Record

Ready Capital is an active acquiror in the multi-strategy real estate finance sector, having completed eight transactions since 2014, including four public company mergers



Anworth Mortgage



Announcement Date	July 17, 2014	October 31, 2016	November 8, 2018	October 31, 2019	December 7, 2020	August 3, 2021	November 4, 2021	February 27, 2023
Structure	Acquisition	Reverse Merger	Merger	Acquisition	Merger	Acquisition	Merger	Merger
Industry Subsector	Small Business Lending	Residential Mortgage Banking & Investing	LMM Commercial Real Estate / Investing	Small Business Lending Technology	Residential Mortgage	Multifamily Affordable Housing	Commercial Mortgage	Commercial Mortgage
Highlights	<ul style="list-style-type: none"> ✓ Provided SBA ownership license ✓ Enabled CRE-secured lending to investors and small businesses 	<ul style="list-style-type: none"> ✓ Provided access to public markets ✓ Created a LMM commercial real estate-focused public specialty finance company 	<ul style="list-style-type: none"> ✓ Accelerated growth in LMM commercial real estate ✓ Expanded capital base to over \$750mm¹ 	<ul style="list-style-type: none"> ✓ Increased efficiency and product offerings ✓ Expanded platform to small businesses and improved lending platform efficiency 	<ul style="list-style-type: none"> ✓ Increased scale and liquidity ✓ Enabled efficiencies to support growth into a diversified, industry-leading real estate finance company 	<ul style="list-style-type: none"> ✓ Increased diversification and growth ✓ Expanded capabilities and demonstrated commitment to affordable housing 	<ul style="list-style-type: none"> ✓ Increased scale and diversification ✓ Expanded capital base to over \$1.8bn^{1,2} and expanding platform into construction finance 	<ul style="list-style-type: none"> ✓ Synergistic transaction that enhances scale, liquidity, and capabilities ✓ Expanded capital base to \$2.7bn¹

RECENT DEVELOPMENTS

- On May 5, 2024, we signed a definitive purchase agreement to acquire the Madison One companies, the nation's second USDA originator.
- The transaction is expected to generate over \$300 million of USDA volume annually.

1.) Pro forma capital base as of the quarter-to-date prior to the acquisition; 2.) Includes an equity offering in Q1 2022

Market Segment Overview

Overview of Key Themes by Market Segment

LMM Commercial Real Estate

- \$5.8tn¹ is the total CRE market value estimate as of 6/30/2023
- Retrenchment of Banks from LMM CRE market provides increased opportunity
- Competition for LMM CRE loan asset acquisitions has been limited due to the portfolio management expertise required to manage these loan assets
- Fragmented LMM CRE loan market provides attractive origination and acquisition opportunities

Government-Backed Small Business Lending

- Government-backed market with \$110bn² in outstanding SBA 7(a) balance
- Only banks and approved non-bank lenders are eligible to originate loans in the SBA 7(a) program
- Highly fragmented market with approximately 25% of banks participating and a small group of non-bank lenders³
- Only 17 non-bank lenders, including Ready Capital, are licensed under the SBA 7(a) program

Full Project Life Cycle Lender With Diverse Set of Solutions

FULL PROJECT LIFE CYCLE LMM COMMERCIAL REAL ESTATE

GOVERNMENT-BACKED SMALL BUSINESS LENDING

Product	Construction	Bridge	Fixed Rate/CMBS	Freddie Mac	Government-backed Small Business loans
Overview	Construction and pre-construction development loans	Short-term financing for the acquisition of investment properties	Financing for the acquisition or refinancing of stabilized commercial properties	Freddie Mac SBL program and loans for affordable housing development	Owner-occupied loans guaranteed by the Small Business Administration
Maturity	1–2 years	2–4 years	5–20 years	5–20 years	10–25 years
P&L impact	Net interest margin from retained loan portfolio supplemented by gain on sale and servicing income from Agency production				Revenue from gain on secondary market sale, net interest income and servicing fees
TTM originations (\$mm) ¹	\$0	\$390	\$9	\$1,157	\$613
TTM distributable earnings contribution ^{2,3}	21%	45%	9%	4%	17%

1.) As of April 30, 2024; 2.) Excludes 4% distributable earnings contribution from "Other" loans and our residential mortgage business 3.) Distributable earnings is a non-GAAP measure, please refer to page 31 for a reconciliation to the nearest GAAP equivalent

Breakdown of Investment Strategy Economics

FULL PROJECT LIFE CYCLE LMM COMMERCIAL REAL ESTATE

GOVERNMENT-BACKED SMALL BUSINESS LENDING

Product	Construction	Bridge	Fixed Rate/CMBS	Freddie Mac	Government-backed Small Business loans
WA coupon	SOFR + 7.75%	SOFR + 4.50%	9.25%	6.50%	11.00%
Fees %	1.00%	1.00%	1.00%	(0.75%)	-
Gain on sale %	-	-	-	1.50%	10.00%
Financing type	Warehouse	Warehouse	Warehouse / securitization	Sale	Warehouse
Financing mechanism	Finance on warehouse	Finance on warehouse until securitized with CLO	Finance on warehouse until securitized with REMIC	Sell <30 days after origination; used to buy the B piece of securitization	Guaranteed piece sold shortly after origination; remaining financed until securitization
Financing cost	SOFR + 3.25%	SOFR + 2.50%	7.25%	N/A	8.00%
Max leverage	75% Loan-to-cost	80% Loan-to-cost	75% Loan-to-value	80% Loan-to-value	- ¹
Levered yield	22.0%	16.0%	16.0%	-	25.0%

1.) Government-backed Small Business loans do not have a regulatory max leverage but have a minimum debt service coverage of 1.15:1.00

LMM Commercial Real Estate Overview

OVERVIEW

- All weather origination platform with ability to allocate capital across 4 products
- \$18.3bn in originations since the Company's formation in 2013¹
- Current 0.4% LMM CRE loan market share with 1.5% 3-year target
- Conservative approach to credit with focus on high conviction sectors, superior markets and strong sponsors; < 5bps losses incurred on new originations since the company's start
- Supported by 118 staff, including 14 loan officers, with headquarters in New York & Texas and 4 satellite offices

ORIGINATIONS VS ACQUISITIONS

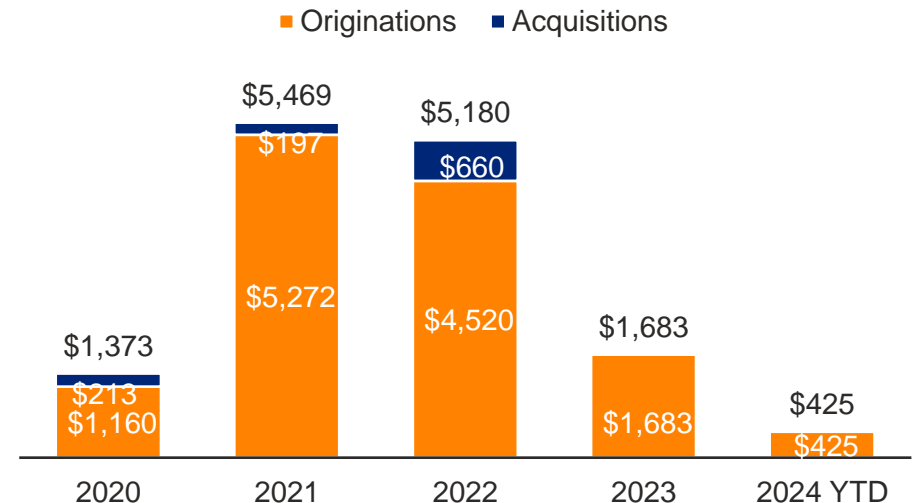
Originations:

- Originate full project life cycle LMM CRE loans
- Sourced through direct / indirect lending relationships with brokers as well as referral programs with servicers

Acquisitions:

- Acquire LMM CRE loans
- Waterfall specializes in acquiring LMM CRE loans sold by banks but also acquires loans from other sources³
- Ready Capital has the right of first refusal on the loans Waterfall sources⁴

HISTORICAL ORIGINATIONS AND ACQUISITIONS (\$MM)^{1,2}



1.) As of April 30, 2024; 2.) Based on fully committed amounts; 3.) Other sources of LMM CRE loans include special servicers of large balance LMM ABS and CMBS trusts, the FDIC, servicers of non-performing SBA Section 7(a) loans, Community Development Companies originating loans under the SBA 504 program, GSEs and state economic development authorities; 4.) Waterfall has agreed in the side letter agreement that, for so long as the management agreement is in effect, neither it nor any of its affiliates will (i) sponsor or manage any additional investment vehicle where the Company does not participate as an investor whose primary investment strategy will involve LMM CRE loans, unless Waterfall obtains the prior approval of a majority of the Company's board of directors (including a majority of its independent directors), or (ii) acquire a portfolio of assets, a majority of which (by value or UPB) are LMM CRE loans on behalf of another investment vehicle (other than acquisitions of LMM commercial ABS), unless the Company is first offered the investment opportunity and a majority of its board of directors (including a majority of its independent directors) decide not to acquire such assets

LMM Commercial Real Estate Case Studies



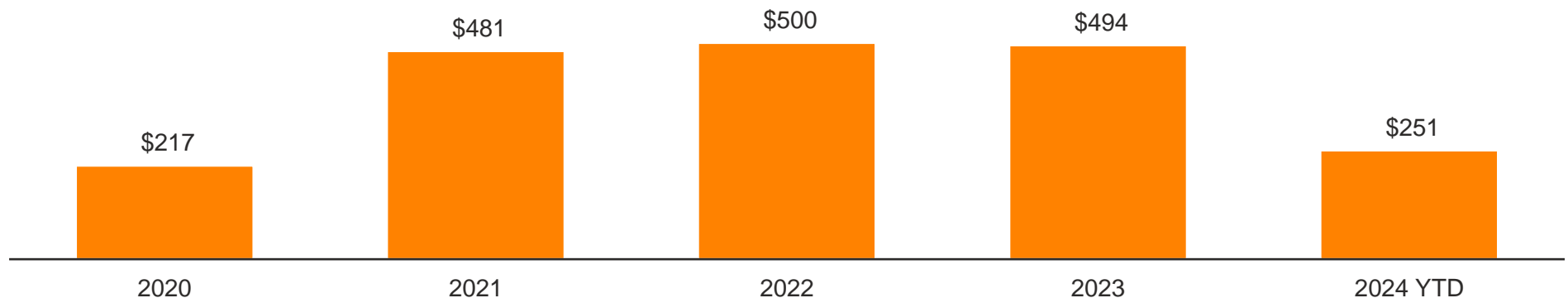
	Construction	Bridge	Non-Agency Fixed Rate	Freddie Mac SBL
Name	Cross-Kire East	159-161 West 54th Street	Myrtle Avenue Portfolio Refinance	The Valencia
Location	Escondido, CA 92025	New York, NY 10019	Ridgeway, NY 11385	Albuquerque, NM 87108
Loan Purpose	Construction	Acquisition & Renovation	Refinance	Refinance
Business	Multifamily	Mixed-Use (Multifamily/Retail)	Mixed-Use (Multifamily/Retail)	Multifamily
Key terms:				
Loan Amount	\$13,850,000	\$37,710,000	\$8,750,000	\$4,308,000
Pricing Basis	Variable	Variable	Fixed	Fixed
Rate	SOFR + 6.00%	SOFR + 4.90%	8.50%	5.76%
Fees	1.00% orig / 1.00% exit	1.00% orig / 0.50% exit	1.00% orig / 1.00% exit	1.25% Buy-Up Premium
Lien	First	First	First	First
Origination Date	March 2024	August 2023	December 2023	June 2023
Term (Months)	36 (+12 mo extensions)	36 (3 x 6 mo extensions)	36 (+12 mo extension)	84
Amortization (Months)	N/A – Interest-Only	36 Month IO / 360 Thereafter	N/A – Interest-Only	36 Month IO / 360 Thereafter
Loan-to-Value (Stabilized)	68%	54%	60%	63%
Estimated Retained Yield / Gross Fees	22.0%	17.7%	15.0%	NAP

Small Business Lending Overview

OVERVIEW

- A leading provider of capital to small businesses through 7(a) loans and USDA loans
- #1 non-bank and #4 overall 7(a) lender¹
- 1 of 17 non-bank Small Business Administration 7(a) license holders; acquired from CIT in 2014
- 2.3% market share with 3% 3-year target
- 65.1% CAGR² for originations of small business loans since 2015
- Fully integrated with iBusiness, a technology-driven funding platform, allowing Ready Capital to leverage proprietary technology to further increase the efficiency of the existing lending platform
- Supported by 254 staff, including 27 business development officers, with headquarters in New Jersey & Florida and 5 satellite offices

HISTORICAL ORIGINATIONS (\$MM) ^{2,3}



1.) SBA.gov; 2.) As of April 30, 2024; 3.) Based on fully committed amounts

Small Business Lending Case Study



Name: Widow Fletchers, LLC

Location: New Port Richey, FL

Loan Purposes: CRE Purchase, Construction, Working Capital

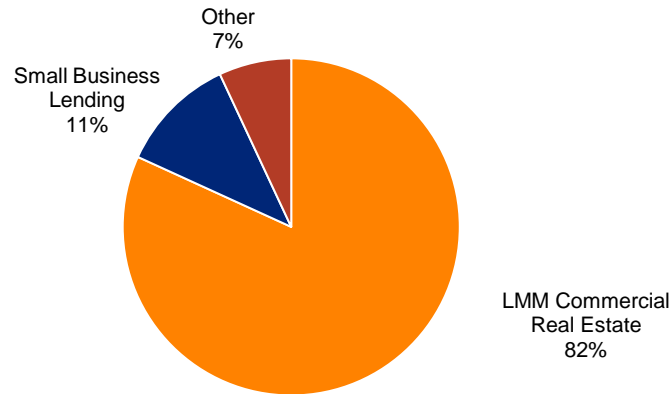
Business: Restaurant

LOAN AMOUNT:	\$3,750,000
PRICING BASIS:	Variable
RATE:	11.50%
GUARANTEE:	75%
SALE PREMIUM:	11.42%
SECURITIZATION ADVANCE RATE:	71.70%
SERVICING STRIP:	1.00%
DEBT COST:	8.59%
LIEN:	1 st and 2 nd
ORIGINATION DATE:	December 2023
TERM (MONTHS):	300
AMORTIZATION (MONTHS):	300
LOAN-TO-VALUE:	45%
PERSONAL GUARANTEE:	Yes
RETAINED YIELD:	18.07%

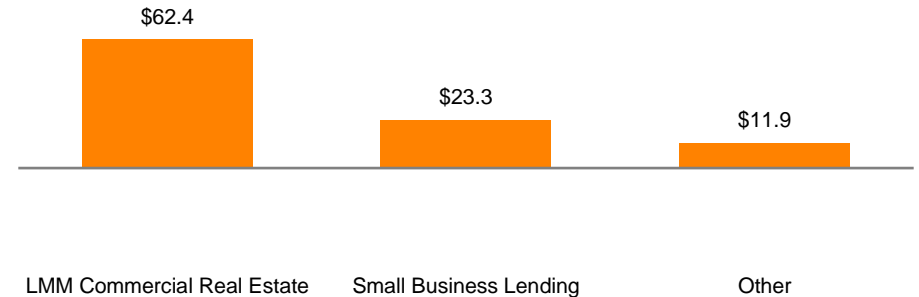
Key Credit Highlights

Loan Portfolio Composition

PORTFOLIO BREAKDOWN (BY TOTAL ASSETS)¹



Q1 REVENUE BREAKDOWN (\$MM)^{1,2}



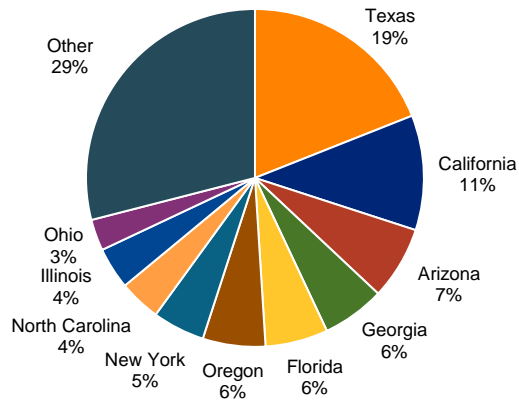
PORTFOLIO KEY METRICS³ (\$ in thousands)

LOAN TYPE	SEGMENT	UPB	CARRYING AMOUNT	WA LTV	WA COUPON	FIXED/FLOAT	60+ DAYS PAST DUE
Bridge	LMM CRE	\$6,589,099	\$6,469,094	69.5%	9.2%	0.2 / 99.8%	10.4%
Fixed Rate	LMM CRE	\$1,019,369	\$1,018,465	60.1%	5.1%	100.0 / 0.0%	4.0%
Construction	LMM CRE	\$1,218,172	\$1,160,951	71.1%	12.3%	55.5 / 44.5%	25.7% ⁵
SBA – 7(a)	SBL	\$1,233,906	\$1,207,102	90.4%	10.4%	0.8 / 99.2%	1.1%
Other LMM*	LMM CRE	\$445,509	\$442,344	36.8%	6.6%	34.4 / 65.6%	0.9%
Total		\$10,506,055	\$10,297,956	68.5%	9.2%	17.8 / 82.2%	10.0%

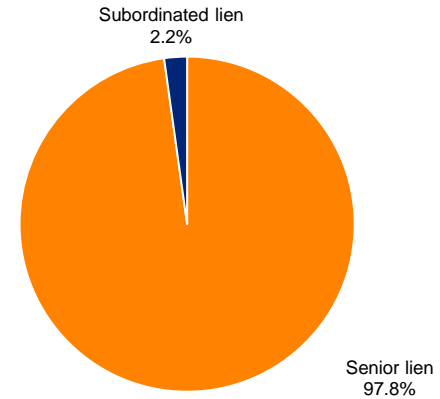
1.) Residential mortgage banking (classified as held for sale) is 4% of total assets and contributed \$11.9M of revenue in Q1 2024; 2.) Based on Distributable Earnings including interest income, accretion of discount, MSR creation, income from unconsolidated joint ventures, realized gains (losses) on loans held for sale, unrealized gains (losses) on loans held for sale and servicing income net of interest expense and amortization of deferred financing costs on 17 an annualized basis; 3.) Includes loans in consolidated VIEs and loans held for sale, at fair value; 4.) Includes Freddie Mac and LMM commercial acquired loans that have nonconforming characteristics for the Fixed rate, Bridge, and Construction classifications due to loan size, rate type, collateral, or borrower criteria; 5.) RC originated construction portfolio 60+ day delinquencies of 0.0%

Loan Portfolio Composition (Cont'd)

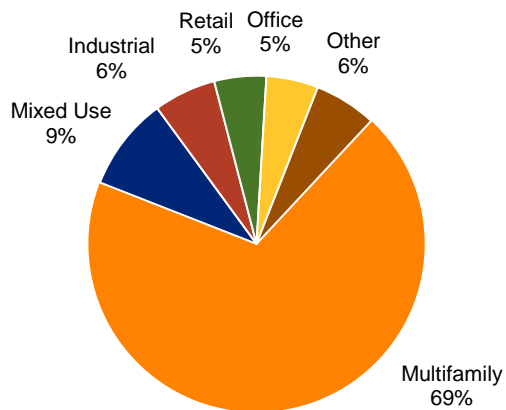
LMM CRE GEOGRAPHIC LOCATION ¹



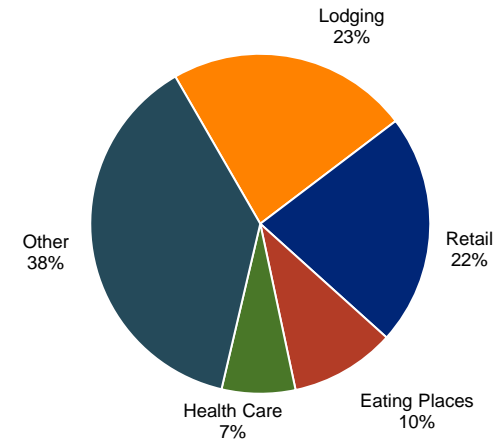
LIEN POSITION OF TOTAL PORTFOLIO ¹



LMM CRE COLLATERAL TYPE ¹



SMALL BUSINESS LENDING LOAN COLLATERAL TYPE ¹



1.) As a percentage of UPB

LMM Commercial Real Estate Loan Portfolio - Migration

CONTRACTUAL STATUS ⁽¹⁾		
TOTAL	Q4'23	Q1'24
<i>CURRENT</i>	88.8%	87.8%
<i>30+ DAYS PAST DUE</i>	1.7%	2.3%
<i>60+ DAYS PAST DUE</i>	9.5%	9.9%
RC ORIGINATED	Q4'23	Q1'24
<i>CURRENT</i>	92.1%	89.9%
<i>30+ DAYS PAST DUE</i>	1.3%	2.2%
<i>60+ DAYS PAST DUE</i>	6.6%	7.9%
M&A	Q4'23	Q1'24
<i>CURRENT</i>	62.2%	72.8%
<i>30+ DAYS PAST DUE</i>	4.7%	3.1%
<i>60+ DAYS PAST DUE</i>	33.1%	24.1%

ACCRUAL STATUS ⁽¹⁾		
TOTAL	Q4'23	Q1'24
<i>ACCRUAL</i>	93.5%	92.8%
<i>NON-ACCRUAL</i>	6.5%	7.2%
RC ORIGINATED	Q4'23	Q1'24
<i>ACCRUAL</i>	95.6%	94.2%
<i>NON-ACCRUAL</i>	4.4%	5.8%
M&A	Q4'23	Q1'24
<i>ACCRUAL</i>	77.0%	82.6%
<i>NON-ACCRUAL</i>	23.0%	17.4%

RISK RATING ⁽¹⁾		
TOTAL	Q4'23	Q1'24
1 & 2	65.6%	67.2%
3	19.3%	22.1%
4	11.1%	7.6%
5	4.0%	3.1%
RC ORIGINATED	Q4'23	Q1'24
1 & 2	68.5%	69.7%
3	19.1%	20.7%
4	10.0%	7.9%
5	2.4%	1.7%
M&A	Q4'23	Q1'24
1 & 2	42.7%	48.2%
3	21.4%	32.4%
4	19.5%	5.6%
5	16.4%	13.8%

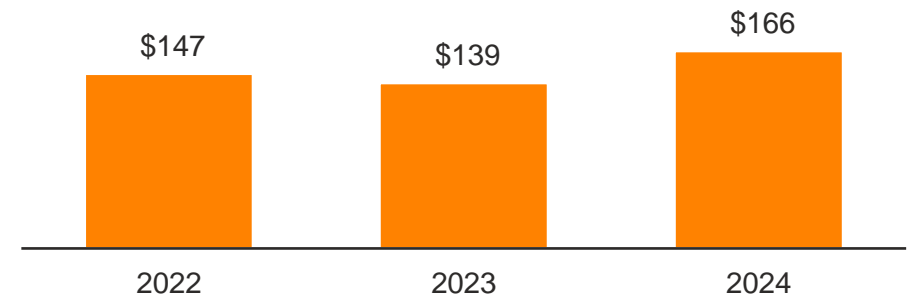
1. Calculated on carrying value

Financial Flexibility

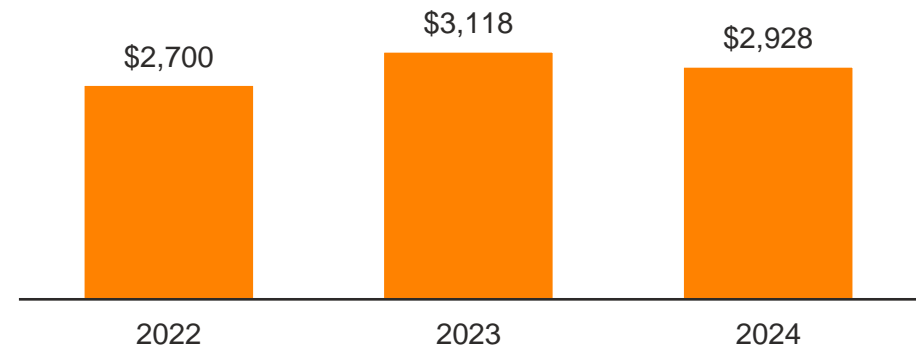
HIGHLIGHTS

- Diversified unencumbered asset pool of \$1.4bn, including \$166mm of unrestricted cash
- 1.9x unencumbered assets to unsecured debt
- \$2.9bn in available warehouse borrowing capacity across 12 counterparties
- Full mark to market liabilities and credit mark to market liabilities represent 19% of total debt
- 89% of corporate debt maturities in 2026 or later based on carrying value

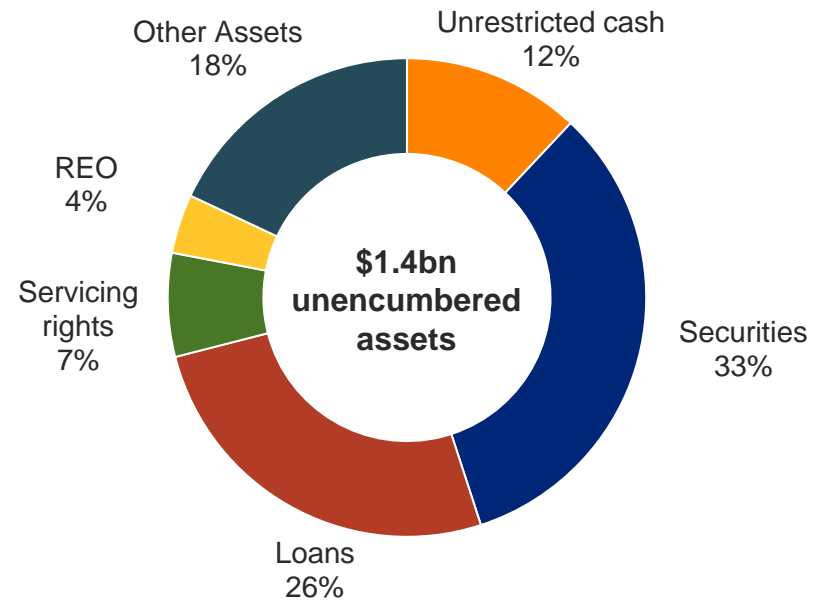
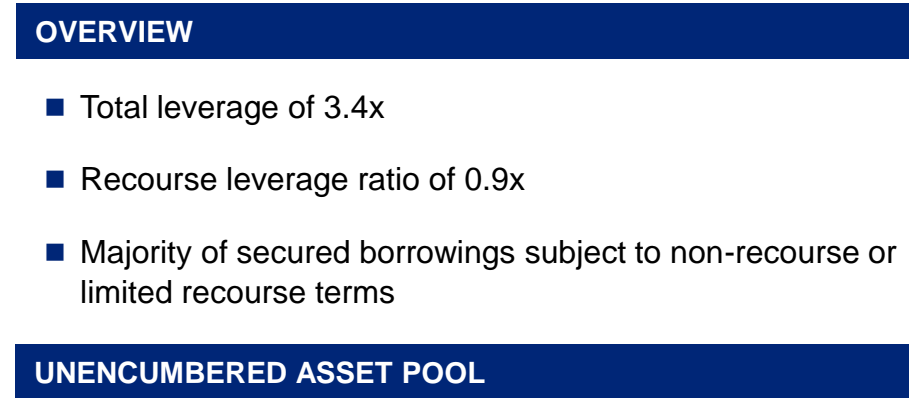
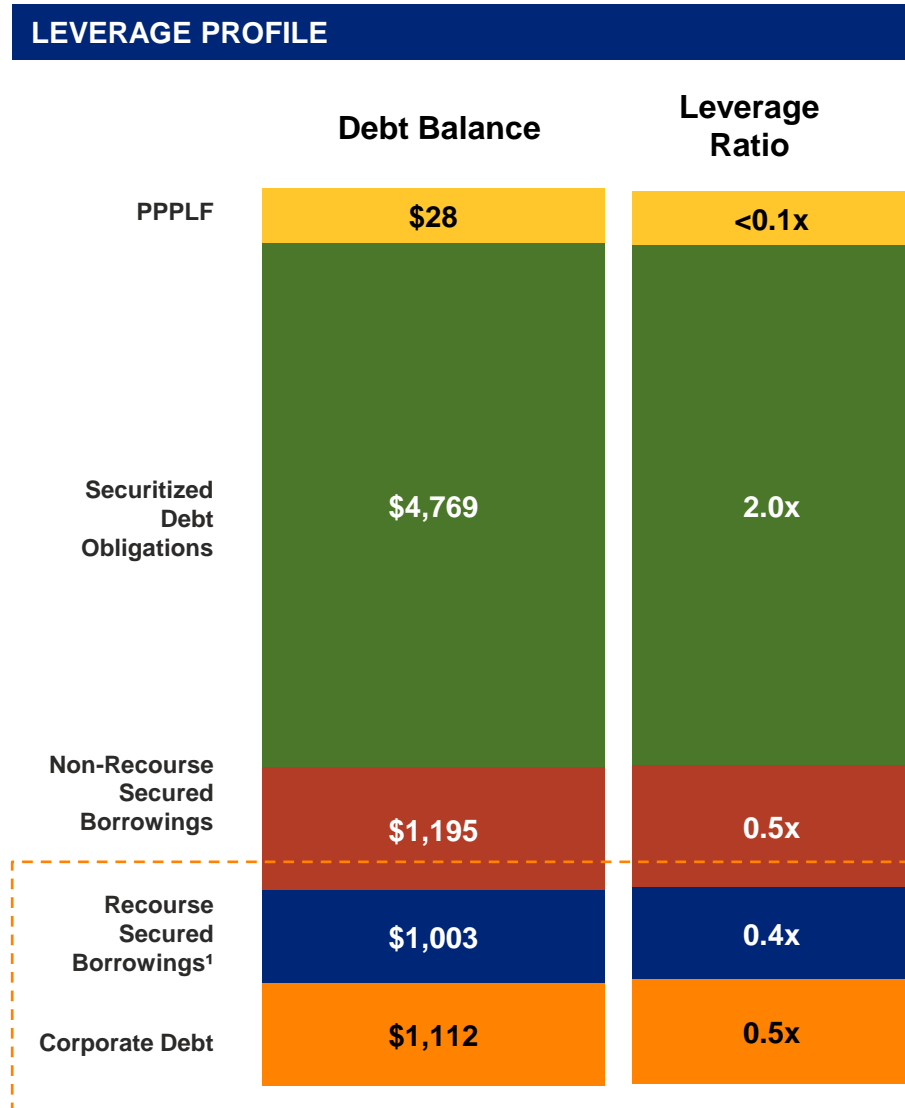
CASH ON BALANCE SHEET (\$MM)



AVAILABLE WAREHOUSE BORROWINGS (\$MM)



Financial Flexibility (Cont'd)

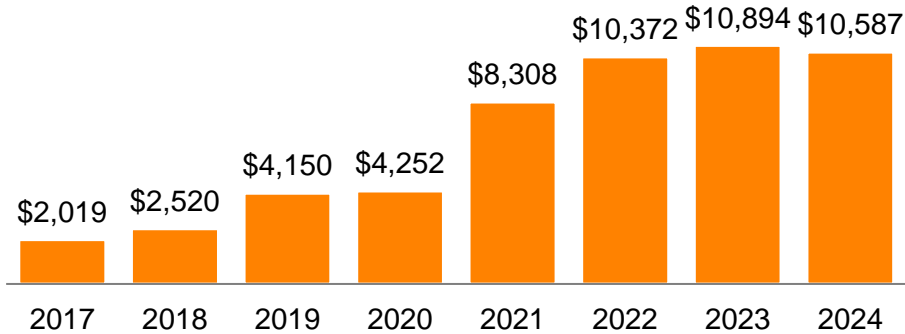


1.) For certain recourse borrowings, includes only the portion of the borrowings that are recourse to the Company

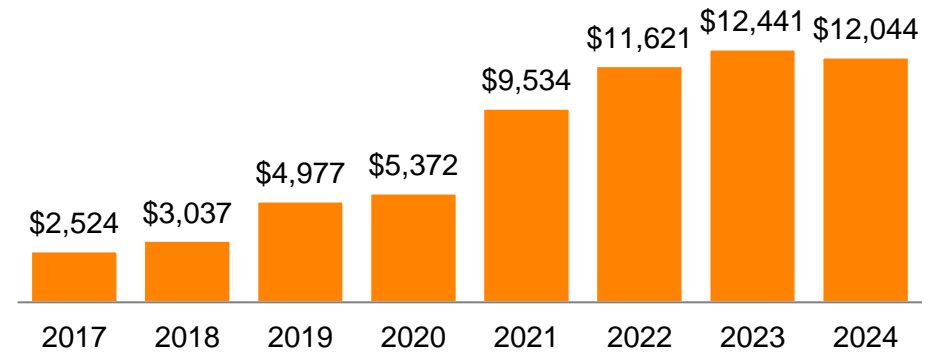
Historical Balance Sheet

- Ready Capital has grown its balance sheet substantially over its history, with its total assets grown at a 28% CAGR from 2017 to March 2024
- Total debt has largely grown in step with the size of the asset base, comprised of a well diversified mix of corporate borrowing and securitizations
- Ready Capital's equity has grown nearly 5x since 2017

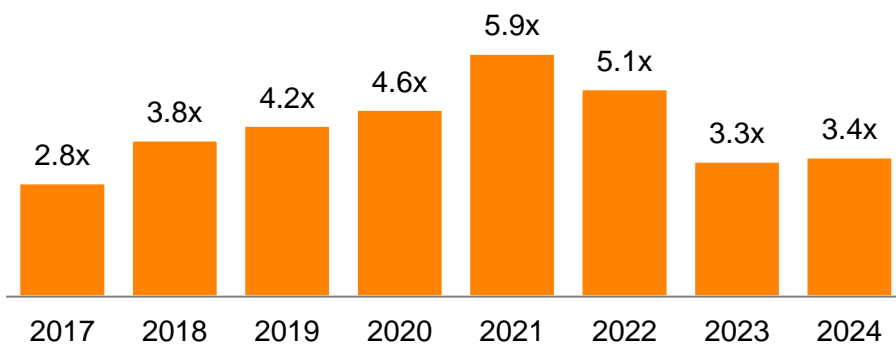
LOANS (\$MM)¹



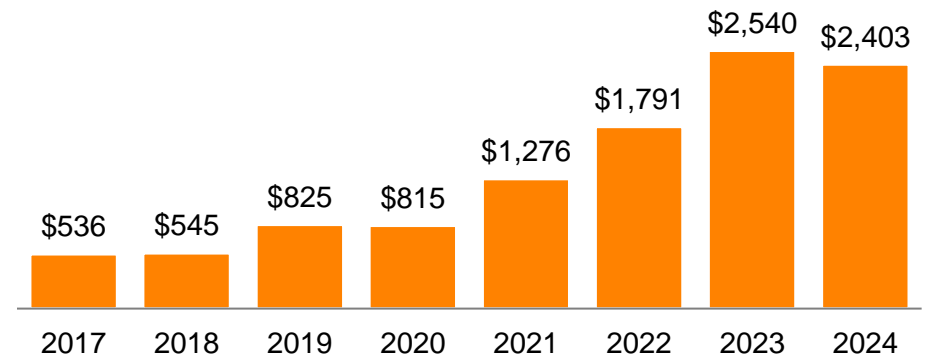
TOTAL ASSETS (\$MM)



LEVERAGE RATIO (DEBT-EQUITY)²



TOTAL STOCKHOLDERS' EQUITY (\$MM)²

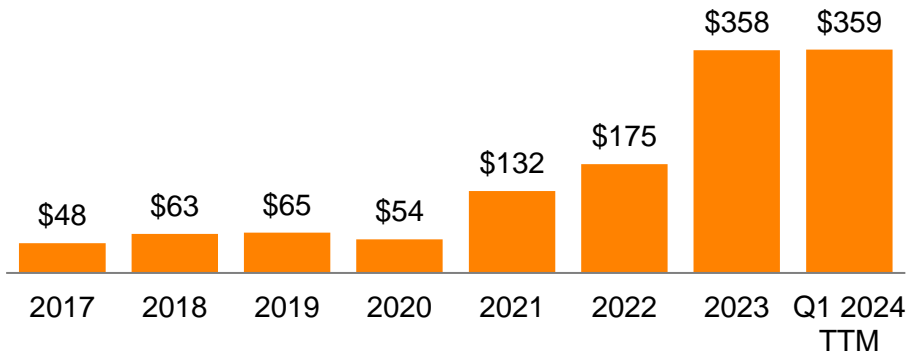


1.) Based on UPB; 2.) Shows total stockholders' equity attributable to Ready Capital shareholders, excluding non-controlling interest

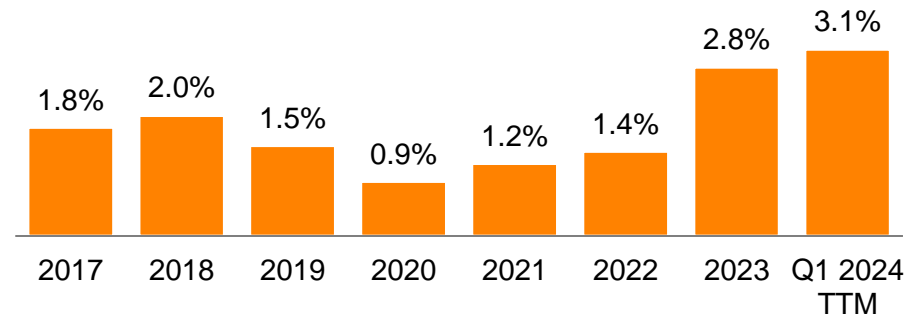
Historical Statement of Operations

- Distributable earnings have grown at a 28% CAGR between 2017 and March 2024¹
- The Company has been able to keep both its earnings to assets and return on equity stable despite some challenging economic conditions

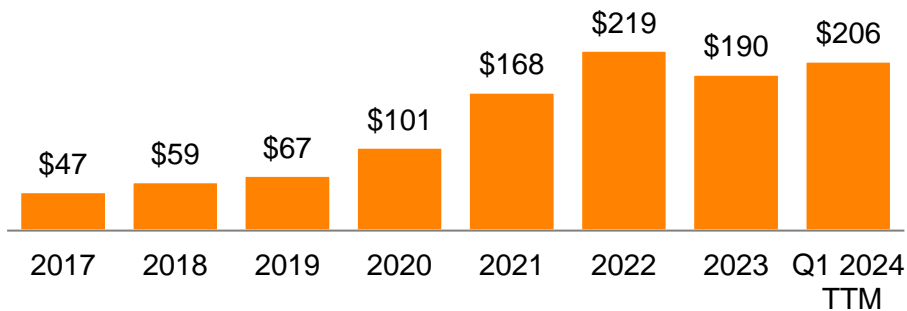
HISTORICAL PRE-TAX INCOME GROWTH ^{1,2} (\$ millions)



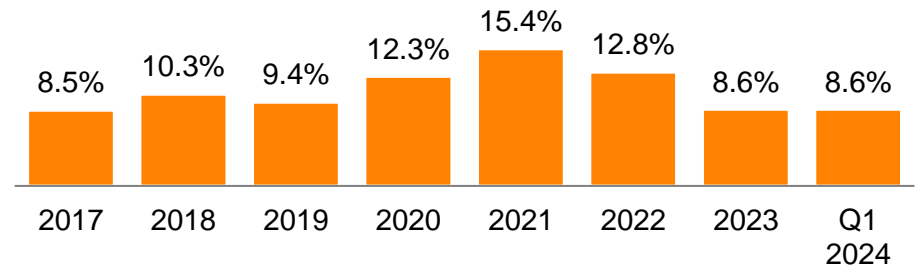
NET INCOME TO ASSETS ^{1,2} (%)



DISTRIBUTABLE EARNINGS³ (\$ millions)

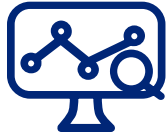


DISTRIBUTABLE RETURN ON EQUITY³ (%)



1.) Income figures exclude valuation allowance; 2.) Income metrics prior to 2021 include our residential mortgage business; 3.) Distributable earnings and distributable return on equity are non-GAAP measures

Credit Philosophy



GEOtier

- Tiers markets from 1 to 5 based on zip code level; utilized for pricing, leverage, and loan structure, absorption, and cap rates)
- Considers and weights four risk factors including:
 - MSA population rank
 - Market fundamentals (vacancy, rents
 - Moody's Red-Yellow-Green
- MSA commercial real estate macro fundamentals
- Primarily focused on Tier 1 and strong Tier 2 and 3 markets



Real Estate

- Primarily focused on less volatile property types such as multifamily and industrial
- Transitional assets with value upside through capex/lease-up; loans sized to in-place occupancy, cash-flow, and value-add
- Determine property strengths, market drivers, and supply/demand fundamentals via market call with local experts
- Property inspections with sponsors to understand business plan and quality/condition of property
- Analyze real estate characteristics, operating performance and budget, management, and tenancy



Debt Structure

- Primary metrics considered: At Risk LTV, As-Is LTV, Go-dark LTV (special purpose & single tenant), In-place Debt Yield, and In-place DSCR; low LTV mitigates risks associated with heavy rollover, distressed assets, or less experienced sponsorship
- Create structure that:
 - Aligns with Borrowers' plan for property and allows real estate to operate independently of sponsor
 - Includes performance hurdles and completion dates for release of proceeds from reserves
 - Reserves sufficient funds to stabilize property via capex improvement plan and TIs/LCs (implements a cash sweep if material rollover during loan term)



Sponsor

- Strong sponsorship cannot mitigate weak GEOtier and/or poor real estate
- Focus on local market experience and ownership, particularly important for light rehab/reposition projects
- Ensure appropriate property management even in strong markets
- Require strong sponsor equity basis to guarantee sponsor interest in collateral
- Transitional assets require Sponsors with relevant experience and track record of execution

Strong Credit Risk and Asset Management Culture



EARLY INTERVENTION

- Ready Capital communicates directly with sponsors to ascertain status for loans over 30+ days delinquent
- Authorized to work directly with sponsors (and waive exit fees and pre-payment penalties as needed)
- Servicing agreements and staff provide better borrower servicing experience
- Data-focused credit philosophy allows opportunity to identify red flags more easily
- Can immediately get involved, which Ready Capital believes is the best process for loan resolution and repayment of principal
- System of escalation allows firm to rapidly address concerns in the business

- Flexibility to tailor loan modifications for prudent sponsors to match evolving business plans so long as such modified loan is one we'd make today
- Ability to obtain fresh sponsor equity injection when necessary to ensure commitment to projects, etc.
- Encourage transparency and communication of lessons learned internally to maintain and foster strong credit culture



ASSET MANAGEMENT BEST PRACTICES

COMPREHENSIVE REPORTING









- Asset-level assessments contained in the Watchlist report help drive communication with warehouse counterparties and other interested parties
- Robust reporting tools ensure Ready Capital has accurate and timely information to properly monitor assets
- Reporting infrastructure drives transparency and enables Ready Capital to form "house" credit views and drive consistent credit philosophy across the firm
- Encouraging participation from all teams to build infrastructure and technology to help us work smarter

- Post-closing disbursements managed by dedicated portfolio management analysts and servicers
- Each loan has specific disbursement conditions that must be met prior to releasing funds
- All funding's are carefully reviewed to ensure that the request is in-line with loan documents and approval

FUTURE DISBURSEMENT PROCESS AND CONTROLS



Experienced Management Team

NAME & POSITION		BACKGROUND
	Thomas Capasse Managing Partner and Co-Founder <i>Waterfall Asset Management</i>	Chairman of the Board, CEO & Chief Investment Officer <i>Ready Capital Corporation</i> <ul style="list-style-type: none"> ■ Manager and Co-Founder of Waterfall Asset Management ■ 35+ years of structured credit experience globally ■ Co-founded Merrill Lynch's ABS group in the 1980s
	Jack Ross Managing Partner and Co-Founder <i>Waterfall Asset Management</i>	President and Director <i>Ready Capital Corporation</i> <ul style="list-style-type: none"> ■ Principal and Co-Founder of Waterfall Asset Management ■ Previously founded Licent Capital, a specialty broker/dealer for intellectual property securitization ■ Managed the Real Estate Finance and ABS groups at Merrill Lynch from 1987–1999
	Andrew Ahlborn Managing Director <i>Waterfall Asset Management</i>	Chief Financial Officer <i>Ready Capital Corporation</i> <ul style="list-style-type: none"> ■ Managing Director of Waterfall Asset Management ■ Previously served as Controller of Ready Capital from 2015–2019 ■ Licensed CPA in New York
	Gary Taylor Chief Operating Officer <i>Ready Capital Corporation</i>	Chief Operating Officer <i>Ready Capital Corporation</i> <ul style="list-style-type: none"> ■ Chief Operating Officer of Ready Capital Corporation ■ Previously served as President and Chief Operating Officer of Newtek Business Credit from May 2015–March 2019
	Adam Zausmer Managing Director <i>Waterfall Asset Management</i>	Chief Credit Officer <i>Ready Capital Corporation</i> <ul style="list-style-type: none"> ■ Chief Credit Officer of Ready Capital Corporation ■ 20+ years in commercial real estate lending ■ Previously served as a senior underwriter at J.P. Morgan Chase's Commercial Term Lending business
	Christopher Grimes, CFA Managing Director <i>Waterfall Asset Management</i>	Treasurer <i>Ready Capital Corporation</i> <ul style="list-style-type: none"> ■ Managing Director of Waterfall Asset Management ■ 20+ years of experience in Treasury ■ Previously served in Treasury at Annaly Capital and Deputy Treasurer of CIT Group

APPENDIX

Additional Financial Information

Balance Sheet by Quarter

(in thousands)	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024
Assets					
Cash and cash equivalents	\$ 59,863	\$ 197,651	\$ 165,731	\$ 138,532	\$ 166,004
Restricted cash	43,736	29,179	31,498	30,063	24,915
Loans, net	3,123,051	3,567,588	4,150,251	4,020,160	3,400,481
Loans, held for sale	116,879	104,496	74,655	81,599	584,072
Mortgage-backed securities	32,607	33,770	33,339	27,436	29,546
Investment in unconsolidated joint ventures	114,169	122,504	136,113	133,321	132,730
Derivative instruments	11,790	7,492	7,763	2,404	15,448
Servicing rights	89,951	94,893	100,284	102,837	103,555
Real estate owned, held for sale	90,104	251,325	281,941	252,949	239,874
Other assets	197,215	218,133	246,164	300,175	315,772
Assets of consolidated VIEs	7,054,861	7,207,426	7,080,266	6,897,145	6,591,834
Assets held for sale	456,680	453,978	433,283	454,596	439,301
Total Assets	\$ 11,537,463	\$ 12,383,046	\$ 12,799,433	\$ 12,441,217	\$ 12,043,532
Liabilities					
Secured borrowings	2,268,381	2,166,791	2,175,345	2,102,075	2,198,272
Securitized debt obligations of consolidated VIEs, net	5,300,967	5,395,361	5,264,037	5,068,453	4,769,057
Convertible notes, net	114,689	114,942	—	—	—
Senior secured notes and Corporate debt, net	1,007,421	1,106,909	1,108,512	1,110,035	1,111,654
Guaranteed loan financing	238,948	226,084	886,916	844,540	814,784
Contingent consideration	16,636	15,566	13,408	7,628	—
Derivative instruments	1,698	2,261	—	212	593
Dividends payable	47,308	26,381	64,777	54,289	53,908
Loan participations sold	55,967	54,461	57,465	62,944	73,749
Due to third parties	12,881	4,467	2,436	3,641	3,401
Accounts payable and other accrued liabilities	122,675	148,540	156,863	207,481	193,896
Liabilities held for sale	291,603	299,022	293,561	333,157	315,975
Total Liabilities	\$ 9,648,770	\$ 9,671,623	\$ 10,099,653	\$ 9,794,455	\$ 9,535,289
Preferred stock Series C	8,361	8,361	8,361	8,361	8,361
Stockholders' Equity					
Preferred stock	111,378	111,378	111,378	111,378	111,378
Common stock	11	17	17	17	17
Additional paid-in capital	1,687,631	2,313,849	2,318,109	2,321,989	2,307,303
Retained earnings (deficit)	(6,532)	187,139	168,539	124,413	(3,546)
Accumulated other comprehensive loss	(12,353)	(9,281)	(5,928)	(17,860)	(12,335)
Total Ready Capital Corporation equity	1,780,135	2,603,102	2,592,115	2,539,937	2,402,817
Non-controlling interests	100,197	99,960	99,304	98,464	97,065
Total Stockholders' Equity	\$ 1,880,332	\$ 2,703,062	\$ 2,691,419	\$ 2,638,401	\$ 2,499,882
Total Liabilities, Redeemable Preferred Stock, and Stockholders' Equity	\$ 11,537,463	\$ 12,383,046	\$ 12,799,433	\$ 12,441,217	\$ 12,043,532
Adjusted Book Value per Share	\$ 15.10	\$ 14.52	\$ 14.42	\$ 14.10	\$ 13.44

Statement of Income by Quarter

(In thousands, except share data)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Interest income	\$ 215,968	\$ 231,004	\$ 248,711	\$ 250,130	\$ 232,354
Interest expense	(158,868)	(170,221)	(189,788)	(197,591)	(183,805)
Net interest income before (provision for) recovery of loan losses	\$ 57,100	\$ 60,783	\$ 58,923	\$ 52,539	\$ 48,549
Recovery of (provision for) loan losses	6,734	(19,427)	12,151	(6,688)	26,544
Net interest income after (provision for) recovery of loan losses	\$ 63,834	\$ 41,356	\$ 71,074	\$ 45,851	\$ 75,093
Non-interest income					
Net realized gain (loss) on financial instruments and real estate owned	\$ 11,575	\$ 23,878	\$ 14,402	\$ 15,153	\$ 18,868
Net unrealized gain (loss) on financial instruments	(5,635)	(1,411)	15,121	1,643	4,632
Valuation allowance	—	—	—	—	(146,180)
Servicing income, net of amortization and impairment	4,642	5,039	6,867	4,613	3,758
Income on purchased future receivables, net	540	86	904	857	446
Income (loss) on unconsolidated joint ventures	656	33	56	(1,650)	468
Gain (loss) on bargain purchase	—	229,894	(14,862)	(7,060)	—
Other income	19,852	18,546	18,272	46,458	15,380
Total non-interest income	\$ 31,630	\$ 276,065	\$ 40,760	\$ 60,014	(102,628)
Non-interest expense					
Employee compensation and benefits	\$ (19,727)	\$ (22,414)	\$ (19,979)	\$ (19,410)	\$ (18,414)
Allocated employee compensation and benefits from related party	(2,326)	(2,500)	(3,001)	(3,010)	(2,500)
Professional fees	(5,543)	(5,533)	(7,666)	(15,997)	(7,065)
Management fees - related party	(5,061)	(5,760)	(7,229)	(7,035)	(6,648)
Incentive fees - related party	(1,720)	(71)	—	—	—
Loan servicing expense	(8,155)	(10,894)	(12,541)	(9,221)	(12,794)
Transaction related expenses	(893)	(13,966)	(2,329)	(576)	(650)
Other operating expenses	(12,609)	(9,557)	(12,760)	(24,806)	(30,187)
Total non-interest expense	\$ (56,054)	\$ (70,695)	\$ (65,505)	\$ (80,055)	\$ (78,258)
Income (loss) from continuing operations before provision for income taxes	\$ 39,410	\$ 246,726	\$ 46,329	\$ 25,810	\$ (105,793)
Income tax benefit (provision)	(901)	(2,194)	(2,808)	(1,236)	30,211
Net income (loss) from continuing operations	\$ 38,509	\$ 244,532	\$ 43,521	\$ 24,574	\$ (75,582)
Discontinued operations					
Income (loss) from discontinued operations before benefit (provision) for income taxes	\$ (2,042)	\$ 11,788	\$ 4,877	\$ (18,258)	\$ 1,887
Income tax benefit (provision)	511	(2,947)	(1,219)	4,565	(472)
Net income (loss) from discontinued operations	\$ (1,531)	\$ 8,841	\$ 3,658	\$ (13,693)	\$ 1,415
Net income (loss)	\$ 36,978	\$ 253,373	\$ 47,179	\$ 10,881	\$ (74,167)
Less: Dividends on preferred stock	1,999	2,000	1,999	1,999	1,999
Less: Net income attributable to non-controlling interest	1,835	4,490	1,517	1,118	117
Net income (loss) attributable to Ready Capital Corporation	\$ 33,144	\$ 246,883	\$ 43,663	\$ 7,764	\$ (76,283)
Earnings per common share from continuing operations - basic	\$ 0.31	\$ 1.81	\$ 0.23	\$ 0.12	\$ (0.45)
Earnings per common share from discontinued operations - basic	\$ (0.01)	\$ 0.07	\$ 0.02	\$ (0.08)	\$ 0.01
Earnings per common share from continuing operations - diluted	\$ 0.30	\$ 1.70	\$ 0.23	\$ 0.12	\$ (0.45)
Earnings per common share from discontinued operations - diluted	\$ (0.01)	\$ 0.06	\$ 0.02	\$ (0.08)	\$ 0.01
Weighted-average shares outstanding - Basic	110,672,939	131,651,125	171,973,933	172,116,989	172,032,866
Weighted-average shares outstanding - Diluted	121,025,909	141,583,837	174,440,869	173,957,731	173,104,415
Dividends declared per share of common stock	\$ 0.40	\$ 0.40	\$ 0.36	\$ 0.30	\$ 0.30

Distributable Earnings Reconciliation by Quarter

(In thousands, except share data)	Q1 2023		Q2 2023		Q3 2023		Q4 2023		Q1 2024	
Net Income (loss)	\$	36,978	\$	253,373	\$	47,179	\$	10,881	\$	(74,167)
Reconciling items:										
Unrealized (gain) loss on MSR- discontinued operations	\$	6,093	\$	(8,818)	\$	(2,563)	\$	20,715	\$	—
Unrealized (gain) loss on joint ventures		—		—		—		2,214		(35)
Unrealized loss on foreign exchange hedges		—		—		—		1,582		—
Increase (decrease) in CECL reserve		(7,321)		19,410		(12,151)		3,195		(32,181)
Increase in valuation allowance										146,180
Non-recurring REO impairment		—		—		—		—		15,512
Non-cash compensation		1,853		2,062		2,275		1,360		1,877
Merger transaction costs and other non-recurring expenses		1,733		14,177		2,536		7,361		1,931
Bargain purchase (gain) loss		—		(229,894)		14,862		7,060		—
Total reconciling items	\$	2,358	\$	(203,063)	\$	4,959	\$	43,397	\$	133,284
Distributable earnings before income taxes	\$	39,336	\$	50,310	\$	52,138	\$	54,278	\$	59,117
Income tax adjustments		(1,187)		973		26		(5,754)		(5,141)
Distributable earnings	\$	38,149	\$	51,283	\$	52,164	\$	48,524	\$	53,976
Less: Distributable earnings attributable to non-controlling interests	\$	1,869	\$	2,035	\$	1,566	\$	1,358	\$	1,108
Less: Income attributable to participating shares		372		373		335		207		336
Less: Dividends on preferred stock		1,999		2,000		1,999		1,999		1,999
Distributable earnings attributable to Common Stockholders	\$	33,909	\$	46,875	\$	48,264	\$	44,960	\$	50,533
Distributable earnings per common share - basic	\$	0.31	\$	0.36	\$	0.28	\$	0.26	\$	0.29
Weighted average common shares outstanding		110,672,939		131,651,125		171,973,933		172,116,989		172,032,866

The Company believes that this non-U.S. GAAP financial information, in addition to the related U.S. GAAP measures, provides investors greater transparency into the information used by management in its financial and operational decision-making, including the determination of dividends. However, because Distributable Earnings is an incomplete measure of the Company's financial performance and involves differences from net income computed in accordance with U.S. GAAP, it should be considered along with, but not as an alternative to, the Company's net income computed in accordance with U.S. GAAP as a measure of the Company's financial performance. In addition, because not all companies use identical calculations, the Company's presentation of Distributable Earnings may not be comparable to other similarly-titled measures of other companies.

We calculate Distributable earnings as GAAP net income (loss) excluding the following:

- i) any unrealized gains or losses on certain MBS not retained by us as part of our loan origination businesses
- ii) any realized gains or losses on sales of certain MBS
- iii) any unrealized gains or losses on Residential MSRs from discontinued operations
- iv) any unrealized change in current expected credit loss reserve
- v) any unrealized gains or losses on de-designated cash flow hedges
- vi) any unrealized gains or losses on foreign exchange hedges
- vii) any unrealized gains or losses on certain unconsolidated joint ventures
- viii) any non-cash compensation expense related to stock-based incentive plan
- ix) one-time non-recurring gains or losses, such as gains or losses on discontinued operations, bargain purchase gains, or merger related expenses

In calculating Distributable Earnings, Net Income (in accordance with U.S. GAAP) is adjusted to exclude unrealized gains and losses on MBS acquired by the Company in the secondary market but is not adjusted to exclude unrealized gains and losses on MBS retained by Ready Capital as part of its loan origination businesses, where the Company transfers originated loans into an MBS securitization and the Company retains an interest in the securitization. In calculating Distributable Earnings, the Company does not adjust Net Income (in accordance with U.S. GAAP) to take into account unrealized gains and losses on MBS retained by us as part of the loan origination businesses because the unrealized gains and losses that are generated in the loan origination and securitization process are considered to be a fundamental part of this business and an indicator of the ongoing performance and credit quality of the Company's historical loan originations. In calculating Distributable Earnings, Net Income (in accordance with U.S. GAAP) is adjusted to exclude realized gains and losses on certain MBS securities considered to be non-distributable. Certain MBS positions are considered to be non-distributable due to a variety of reasons which may include collateral type, duration, and size.

In addition, in calculating Distributable Earnings, Net Income (in accordance with U.S. GAAP) is adjusted to exclude unrealized gains or losses on residential MSRs, held at fair value from discontinued operations. In calculating Distributable Earnings, the Company does not exclude realized gains or losses on either commercial MSRs as servicing income is a fundamental part of Ready Capital's business and is an indicator of the ongoing performance.

To qualify as a REIT, the Company must distribute to its stockholders each calendar year at least 90% of its REIT taxable income (including certain items of non-cash income), determined without regard to the deduction for dividends paid and excluding net capital gain. There are certain items, including net income generated from the creation of MSRs, that are included in distributable earnings but are not included in the calculation of the current year's taxable income. These differences may result in certain items that are recognized in the current period's calculation of distributable earnings not being included in taxable income, and thus not subject to the REIT dividend distribution requirement until future years.